

**RECORDING REQUESTED BY:**

Lennar Mare Island, LLC  
690 Walnut Avenue, Suite 100  
Vallejo, California 94592

Recorded in Official Records,  
Solano County  
Doc#: 200600040270  
3/31/2006 2:00 PM

**WHEN RECORDED, MAIL TO:**

Department of Toxic Substances Control  
Region 1  
8800 Cal Center Drive  
Sacramento, California 95826  
Attention: Mr. Anthony J. Landis, Chief  
Office of Military Facilities

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SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

**COVENANT TO RESTRICT USE OF PROPERTY**

**ENVIRONMENTAL RESTRICTION**

**Building H73 and Transformer Pad Near Building H72**

**Investigation Area D1, Former Mare Island Naval Shipyard  
Eastern Early Transfer Parcel  
Vallejo, California**

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This Covenant and Agreement ("Covenant") is made by and between Lennar Mare Island, LLC ("Covenantor"), the current owner of property to be restricted herein, situated on the Former Mare Island Naval Shipyard in Vallejo, County of Solano, State of California, and the California Department of Toxic Substances Control (the "Department"). Pursuant to California Civil Code section 1471(c), the Department has determined that this Covenant is reasonably necessary to protect present or future human health or safety or the environment as a result of the presence on the land of hazardous materials, as defined in California Health & Safety Code ("H&SC") section 25260. The Covenantor and the Department, collectively referred to as the "Parties," hereby agree pursuant to Civil Code section 1471 and H&SC section 25355.5 that the use of the Property be restricted as set forth in this Covenant. The Parties further intend that the provisions of this Covenant also be for the benefit of, and enforceable by, the U.S. Environmental Protection Agency ("U.S. EPA") as a third party beneficiary.

## ARTICLE I – STATEMENT OF FACTS

1.01 Building H72 is located on the developed eastern side of Mare Island and comprises a portion of the area generally known as the Eastern Early Transfer Parcel of Mare Island (“EETP”), in the County of Solano, State of California. The general location of Building H72 is depicted in Exhibits “A1” and “A2”, attached hereto and incorporated herein by this reference. The Building H72 AL#01 polychlorinated biphenyl (“PCB”) site includes a concrete pad with two active transformers and adjacent soils outside the southwest corner of Building H72, as shown on Exhibit “A2”. The concrete transformer pad within the Building H72 AL#01 PCB site is subject to this Covenant, and is more particularly described and depicted in Exhibits “B” and “C” (the “Building H72 Transformer Pad Property”), attached hereto and incorporated herein by this reference.

1.02 Building H73 is located on the developed eastern side of Mare Island and comprises a portion of the area generally known as the Eastern Early Transfer Parcel of Mare Island (“EETP”), in the County of Solano, State of California. The general location of Building H73 is depicted in Exhibits “A1” and “A2”. The Building H73 AL#06 PCB site is located in a former transformer room that is adjacent to, but not accessible from, Building H73, and is depicted in Exhibit “A2”. The entire footprint of transformer room containing the Building H73 AL#06 PCB site is subject to this Covenant, and is more particularly described and depicted in Exhibits “D” and “E” (the “Building H73 Property”), attached hereto and incorporated herein by this reference.

1.03 On March 26, 2002 the ownership of the EETP, which included the Property, was transferred from the United States Department of the Navy (“Navy”) to the City of Vallejo (“City”), and then immediately on to Covenantor.

1.04 The EETP was previously part of the Navy’s Mare Island Naval Shipyard. In April 2002, the Navy and the Department entered into a Federal Facility Site Remediation Agreement (“FFSRA”). Under the FFSRA for the EETP, the Navy retains its obligations under federal and state laws concerning the remediation of hazardous substances on the Property due to the activities of the Navy.

1.05 The Covenantor, the Department, and the City entered into a Consent Agreement on April 16, 2001 (“Consent Agreement”), whereby the Covenantor is obligated to perform remedial actions, achieve regulatory closure, and comply with operation and maintenance requirements such as the requirements of this Covenant, on the Property. The Consent Agreement subdivides the EETP into eight (8) Investigation Areas. The Properties are located within one of these Investigation Areas—Investigation Area D1. The *Final Remedial Action Plan for Investigation Area D1* was approved by the Department on May 27, 2004, and provides that a land use covenant be required as part of the site remediation at the Properties.

1.06 The Department has the authority pursuant to Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) section 120, and the H&SC chapter 6.5 and 6.8 to regulate PCBs.

1.07 The Toxic Substances Control Act ("TSCA") Complaint/Consent Agreement and Final Order for the Former Mare Island Naval Shipyard, dated December 20, 2001 ("CA/FO") establishes U.S. EPA regulatory closure requirements for PCBs on the EETP. The Covenantor is an "Intervenor" in the CA/FO because under the terms of the Consent Agreement and other EETP transfer documents, the Covenantor has assumed certain responsibilities for, among other things, TSCA compliance and regulatory closure on the EETP.

1.08 Following cleanup actions at the Building H72 AL#01 PCB site, the maximum remaining PCB concentrations in concrete are 0.5 milligrams per kilogram ("mg/kg") on the exposed transformer pad; 20 mg/kg in concrete beneath one of the active transformers (this PCB contamination is encapsulated by active Transformer No. T-1980 on the south end of the concrete pad); 0.17 mg/kg in soil under the transformer pad; and 0.21 mg/kg in soil adjacent to the north side of the transformer pad, as depicted in Exhibit "F", attached hereto and incorporated herein by this reference. Soils located within the Building H72 AL#01 PCB site are suitable for unrestricted use and are not restricted by this Covenant.

1.09 The active transformers at the Building H72 Transformer Pad Property encapsulate PCBs in the concrete pad beneath them, thereby preventing exposure to the remaining PCB contamination in concrete. The interface between the transformer and the concrete pad was sealed by application of a gray epoxy-based mortar across the joint, all the way around the transformer and cabinets. The mortar was then covered with a white epoxy-polyamide sealer. The "Encapsulated Surfaces" are the areas sealed beneath the two active transformers (Transformer No. T-1980 and No. T-1982) on the Building H72 Transformer Pad Property, as depicted in Exhibit "F".

1.10 40 Code of Federal Regulations ("C.F.R.") section 761.30(p) establishes the requirements for the continued use of porous surfaces contaminated with spills of liquid PCBs for the remainder of their useful life. These requirements are satisfied at the Building H72 AL#01 PCB site by sealing the Encapsulated Surfaces beneath the active transformers and satisfying the other requirements established in this Covenant. Removal of the concrete transformer pad contaminated with PCBs at the Building H72 Transformer Pad Property from its location or removal of the active transformers from current use on the concrete pad is prohibited except for removal for disposal in accordance with applicable requirements of 40 C.F.R. section 761.

1.11 The Department and the U.S. EPA have concluded that the Building H72 AL#01 PCB site does not present an unreasonable risk to human health and the environment provided the Encapsulated Surfaces are marked and maintained for the remainder of their useful lives and the following uses of the Building H72 Transformer Pad Property are prohibited: residences, hospitals, schools or persons under the age of 18, or day care centers.

1.12 Pursuant to Paragraph 6(a) of the CA/FO, no further action is needed with respect to PCB contamination at Building H72 AL#01, provided that the applicable requirements established in this Covenant are satisfied.

1.13 Following the cleanup action at the Building H73 AL#06 PCB site, the maximum remaining PCB concentrations are 2 mg/kg on the concrete floor and 3.5 mg/kg approximately 2 feet above the floor in the concrete wall, as depicted in Exhibit "G", attached hereto and incorporated herein by this reference.

1.14 The maximum remaining residual PCB concentrations in concrete at the Building H73 AL#06 PCB site meet the default Substantive Cleanup Requirements ("SCRs") set forth in Paragraph 8(a)(ii)(B) of the CA/FO for bulk PCB remediation wastes (which includes concrete) of less than or equal to 25 mg/kg in low occupancy areas. With regard to bulk PCB remediation waste, 40 C.F.R. section 761.3 includes within the definition of "low occupancy area," sites where occupancy for any individual not wearing dermal and respiratory protection is less than an average of 6.7 hours per week over the course of any calendar year. Pursuant to Paragraph 8(a)(ii)(B) of the CA/FO, a no further action determination is appropriate at PCB sites where bulk PCB remediation waste remains at a concentration of less than or equal to 25 mg/kg, and the site is restricted to low occupancy. The Department and U.S. EPA have concluded that the Building H73 AL#06 PCB site does not present an unacceptable risk to human health or the environment provided the Building H73 Property remains a low occupancy area, and the following uses of the Building H73 Property are prohibited: residences, hospitals, schools for persons under the age of 18, or day care centers.

1.15 Pursuant to Paragraph 6(a) of the CA/FO, no further action is needed with respect to PCB contamination at Building H73 AL#06, provided that the applicable requirements established in this Covenant are satisfied.

## ARTICLE II – DEFINITIONS

2.01 Department. "Department" means the State of California by and through the Department of Toxic Substances Control and includes its successor agencies, if any.

2.02 The Building H72 Transformer Pad Property. The "Building H72 Transformer Pad Property" means the concrete transformer pad within the Building H72 AL#01 PCB site, more particularly described and depicted in Exhibits "B" and "C".

2.03 The Building H73 Property. The "Building H73 Property" means the former transformer room that contains PCB site Building H73 AL#06, more particularly described and depicted in Exhibits "D" and "E".

2.04 The Properties. The Properties means the Building H72 Transformer Pad Property and the Building H73 Property, taken together, and as more particularly described and depicted in this Covenant and its Exhibits.

2.05 Owner. "Owner" means the Covenantor and shall include the Covenantor's successors in interest, including heirs and assigns, during their ownership of all or any portion of the Property.

2.06 Occupant. "Occupant" means Owner and any person or entity entitled by ownership, leasehold, or other legal relationship to the right to occupy any portion of the Property.

2.07 U.S. EPA. "U.S. EPA" means the United States Environmental Protection Agency, and includes its successor agencies, if any.

2.08 Encapsulated Surfaces. "Encapsulated Surfaces" means the areas of the Building H72 Transformer Pad Property where human health and environmental risk has been abated by sealing in PCB contaminants under the active transformers.

2.09 Bulk PCB Remediation Waste. "Bulk PCB remediation waste" is defined by U.S. EPA in 40 C.F.R. section 761.61(a)(5)(i), which states "Bulk PCB remediation waste includes, but is not limited to, the following non-liquid PCB remediation waste: soil, sediments, dredged materials, muds, PCB sewage sludge, and industrial sludge."

2.10 Low Occupancy Area. "Low occupancy area" is defined by U.S. E.P.A. in 40 C.F.R. section 761.3, which states: "Low occupancy area means any area where PCB remediation waste has been disposed of on-site and where occupancy for any individual not wearing dermal and respiratory protection for a calendar year is: less than 840 hours (an average of 16.8 hours per week) for non-porous surfaces and less than 335 hours (an average of 6.7 hours per week) for bulk PCB remediation waste. Examples could include an electrical substation on a location in an industrial facility where a worker spends small amounts of time per week (such as an unoccupied area outside a building, an electrical equipment vault, or in the non-office space in a warehouse where occupancy is transitory)."

### **ARTICLE III – GENERAL PROVISIONS**

3.01 Restrictions to Run with the Land. This Covenant sets forth protective provisions, covenants, restrictions, and conditions (collectively, "Restrictions"), subject to which the Properties and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. Each and every Restriction: (a) runs with the land pursuant to H&SC section 25355.5 (a)(1)(C), Civil Code section 1471, and 22 C. C. R. section 67391.1; (b) inures to the benefit of and passes with each and every portion of the Properties; (c) is for the benefit of, and is enforceable by the Department, and U.S. EPA as a third party beneficiary and (d) is imposed upon the entirety of the Properties unless expressly stated as applicable only to a specific portion thereof.

3.02 Binding Upon Owners, Occupants and Lessees. Pursuant to H&SC section 25355.5 (a)(1)(C), this Covenant binds all owners of the Properties, their heirs, successors, and assignee, and the agents, employees, and lessees of the owners, heirs, successors, and assignees. Pursuant to Civil Code section 1471(b), all successive

owners of the Properties are expressly bound hereby for the benefit of the Department, and U.S. EPA as a third party beneficiary.

3.03 Written Notification of the Presence of Hazardous Substances. Prior to the sale, lease, or sublease of the Properties, or any portion thereof, the Owner, Occupant, lessor, or sublessor shall give the buyer, lessee, or sublessee notice that hazardous substances are located on or beneath the Properties, as required by H&SC section 25359.7.

3.04 Incorporation into Deeds and Leases. The Restrictions set forth herein shall be incorporated by reference in each and all deeds and leases entered into for any portion of the Properties on or after the date of recordation of this Covenant.

3.05 Conveyance of Properties. The Owner shall provide notice to the Department and U.S. EPA not later than thirty (30) days after any conveyance of any ownership interest in the Properties (excluding mortgages, liens, and other non-possessory encumbrances). The Department shall not, by reason of this Covenant, have authority to approve, disapprove, or otherwise affect proposed conveyance, except as otherwise provided by law, by administrative order, or by a specific provision of this Covenant.

3.06 Costs of Administering the Covenant. The terms of this Covenant run with the land and will continue in perpetuity unless a variance or termination is granted pursuant to Article VI herein. The Department has incurred and will in the future incur costs associated with the administration of this Covenant. Pursuant to the California Code of Regulations, title 22, section 67391.1(h), the Department's costs associated with the administration of this Covenant will be paid.

#### **ARTICLE IV – ENVIRONMENTAL RESTRICTIONS**

4.01 Prohibited Uses. The Properties shall not be used for any of the following purposes:

(a) A residence, including any mobile home or factory built housing, constructed or installed for use as a residential habitation.

(b) A hospital for humans.

(c) A public or private school for persons under 18 years.

(d) A day care center for children.

4.02 Management of the Building H72 Transformer Pad Property.

(a) No activities at the Building H72 Transformer Pad Property that will disturb the Encapsulated Surfaces (e.g., result in any movement of the active transformers, or damage or disturb the epoxy seal between the transformers and the concrete pad) shall be allowed without implementation of a Management Plan and a

Health and Safety Plan, to be submitted with written notice at least thirty (30) days prior to planned activities to U.S. EPA and the Department for review, and modified as required to obtain U.S. EPA and Department approval prior to implementation.

(b) If either of the active transformers are replaced, removed, or its use discontinued ("equipment change") for more than sixty (60) days, an evaluation shall be submitted to and approved by the Department and U.S. EPA, prior to the equipment change, that considers the feasibility of remediating the remaining PCBs.

(c) The Owner shall provide U.S. EPA and DTSC with written notice at least fourteen (14) days prior to any change in use of the Building H72 Transformer Pad Property. If the use of the Building H72 Transformer Pad Property changes, in a manner that will increase the risk of exposure to PCBs, an evaluation of the feasibility of implementing remedial measures that at least reduce such increased exposure risks from PCBs on the Building H72 Transformer Pad Property shall be submitted to and approved by the Department and U.S. EPA prior to changing the use of the Building H72 Transformer Pad Property. In the event that the Building H72 Transformer Pad Property is to be demolished, additional measures for construction worker protection, and disposal of bulk PCB remediation waste will be required pursuant to 40 C.F.R. part 761. Any remediation of PCBs on the Building H72 Transformer Pad Property or management of PCB waste shall be pursuant to applicable state and federal laws.

#### 4.03 Non-Interference with Encapsulated Surfaces.

Covenantor agrees:

(a) All uses and development of the Building H72 Transformer Pad Property shall preserve the integrity of the Encapsulated Surfaces.

(b) The Encapsulated Surfaces shall not be altered without written approval by U.S. EPA and the Department.

(c) Covenantor shall keep a record of each of the following: (i) the type, cause, location and date of any damage to the Encapsulated Surfaces and (ii) the type and date of repair of such damage.

4.04 Inspection and Maintenance of Encapsulated Surfaces. The epoxy seal between the active transformers and the concrete pad on the Building H72 Transformer Pad Property shall be inspected at least once each calendar year to evaluate wear. The Owner shall conduct such inspections, and shall continue to maintain the epoxy seal, and the Encapsulated Surfaces, by reapplication of the epoxy-based mortar across the joint and/or epoxy-polyamide sealer, as necessary. Results of each such inspection shall be documented in writing and remain available for Department and U.S. EPA review for a period of at least five years following the date of each inspection.

4.05 Physical Marker on the Building H72 Transformer Pad Property. The Owner agrees to erect within thirty (30) days of recording this Covenant physical markers on the Building H72 Transformer Pad Property which give notice of the

presence of PCBs located on the Building H72 Transformer Pad Property. Owner further agrees to replace this physical markers if they become worn or illegible. This physical marker shall be in the form of the M<sub>L</sub> Mark described in 40 C.F.R. section 761.45(a).

4.06      Management of the Building H73 Property.

(a)      No activities at the Building H73 Property that disturb the floors or walls of the Building H73 Property shall be allowed without written notice to the Department and U.S. EPA at least thirty (30) days prior to the planned activities and approval by the Department and U.S. EPA prior to implementation.

(b)      If the use of the Building H73 Property changes in a manner that will increase the risk of exposure to PCBs, an evaluation of the feasibility of implementing remedial measures that at least reduce such increased exposure risks from PCBs on the Building H73 Property shall be submitted to and approved by the Department and U.S. EPA prior to changing the use of the Building H73 Property. In the event that the Building H73 Property is to be demolished, additional measures for construction worker protection, and management and disposal of PCBs shall be in compliance with 40 C.F.R. part 761. Any remediation of PCBs on the Building H73 Property or management of PCB waste shall be pursuant to applicable state and federal laws.

4.07      Low Occupancy of the Building H73 Property. The Building H73 Property shall be maintained as a "low occupancy area" for bulk PCB remediation waste. Occupancy of the Building H73 Property for any individual not wearing dermal and respiratory protection shall average out to less than 6.7 hours per week over the course of any calendar year. This low occupancy restriction shall be enforced pursuant to TSCA and other applicable federal authority, and enforced by a federal agency.

4.08      Access. The Department and U.S. EPA shall have reasonable right of entry and access to the Properties for inspection, monitoring, and other activities consistent with the purposes of this Covenant as deemed necessary by the Department and/or U.S. EPA to protect public health or safety or the environment.

4.09      Inspection and Reporting. The Owner of the Properties shall perform an annual inspection to verify that the use of the Properties is in compliance with the provisions of this Covenant. Based on the annual inspection, a report shall be developed and submitted to the Department, U.S. EPA, and the City of Vallejo documenting the findings of the annual inspection. The first report shall be submitted to the Department, U.S. EPA, and the City of Vallejo one year following the date of recordation of this Covenant and shall be submitted to the Department, U.S. EPA, and the City of Vallejo annually thereafter. The report shall describe the monitoring and inspection of the Properties for compliance with this Covenant, state the deficiencies and measures taken and necessary to address these deficiencies.

4.10      Notification to the Department. The Owner shall notify the Department and the U.S. EPA within 3 business days of discovery of any activity that



violates or is inconsistent with the provisions of this Covenant. The notification shall include any corrective measures taken or planned to address the violation or inconsistency. The Owner shall notify the Department and U.S. EPA within 3 business days of discovery of a previously unknown hazardous substances release to the environment, and in all cases the Owner shall comply with applicable notification requirements under state and federal law. The notification shall include a description of any interim containment or corrective measures taken or planned.

## **ARTICLE V – ENFORCEMENT**

5.01 Enforcement. Failure of the Covenantor, Owner or Occupant to comply with any of the Restrictions specifically applicable to it shall be grounds for the Department and/or U.S. EPA to obtain injunctive relief prohibiting commencement or continuation of any uses or activities restricted by this Covenant. U.S. EPA shall be entitled to enforce the provisions of this Covenant as a third party beneficiary. Violation of this Covenant shall be grounds for the Department or U.S. EPA to seek or file enforcement actions as provided by law.

## **ARTICLE VI – VARIANCE, TERMINATION, AND TERM**

6.01 Variance. Covenantor, or any other aggrieved person, may apply to the Department for a written variance from the provisions of this Covenant. Such application shall be made in accordance with H&SC section 25233 and a copy of the application shall be submitted to U.S. EPA simultaneously with the application submitted to the Department. No variance may be granted under this paragraph 6.01 without prior notice and opportunity to comment by U.S. EPA. Any approved variance shall be recorded in the Office of the Recorder of Solano County, California, by the person or entity granted the variance.

6.02 Termination. The Owner, or with the Owner's consent, any lessee, may apply to the Department for a termination of the Restrictions or other terms of this Covenant as they apply to all or any portion of the Property. Such application shall be made in accordance with H&SC Section 25234 and a copy of the application shall be submitted to U.S. EPA simultaneously with the application submitted to the Department. No termination may be granted under this paragraph 6.02 without prior notice to and opportunity to comment by U.S. EPA. Any termination shall be recorded in the Office of the Recorder of Solano County, California, by the person or entity granted the termination.

6.03 Term. Unless ended or modified in accordance with the paragraphs above, by law, or by the Department in the exercise of its discretion, after providing notice to and opportunity to comment by U.S. EPA, this Covenant shall continue in effect in perpetuity.

## **ARTICLE VII – MISCELLANEOUS**

7.01 No Dedication or Taking Intended. Nothing set forth in this Covenant shall be construed to be a gift or dedication, or offer of a gift or dedication, of

the Properties, or any portion thereof to the general public or anyone else for any purpose whatsoever. Further, nothing set forth in this Covenant shall be construed to effect a taking under federal or state law.

7.02 Department References. All references to the Department include successor agencies/departments or any other successor entity.

7.03 Recordation. The Covenantor shall record this Covenant, with Exhibits "A1", "A2", "B", "C", "D", "E", "F" and "G", , in the County of Solano within ten (10) days of the Covenantor's receipt of a fully executed original.

7.04 Notices. Whenever any person gives or serves any notice ("Notice" as used herein includes any demand or other communication with respect to this Covenant), each such Notice shall be in writing and shall be deemed effective: (1) when delivered, if personally delivered to the person being served or to an officer of a corporate party being served, or (2) three (3) business days after deposit in the mail, if mailed by United States mail, postage paid, certified, return receipt requested as follows:

To Owner:

Ms. Sheila Roebuck  
Lennar Mare Island, LLC  
690 Walnut Avenue, Suite 100  
Vallejo, California 94592

To Department:

Department of Toxic Substances Control  
Region 1  
8800 Cal Center Drive  
Sacramento, California 95826  
Attention: Mr. Anthony J. Landis, Chief  
Office of Military Facilities

To EPA:

U.S. EPA Region IX  
75 Hawthorne Street  
San Francisco, California 94105  
Attention: PCB Coordinator (CMD-4-2)

Any party may change its address or the individual to whose attention a Notice is to be sent by giving written Notice in compliance with this paragraph.

7.05 Partial Invalidity. If any portion of the Restrictions or any other term set forth herein is determined by a court of competent jurisdiction to be invalid for any reason, the surviving portions of this Covenant shall remain in full force and effect as if such portion found invalid had not been included.

7.06      Exhibits. All exhibits referenced in this Covenant are deemed incorporated into this Covenant by reference.

7.07      Section Headings. The section headings set forth in this Covenant are included for convenience and reference only and shall be disregarded in the construction and interpretation of any of the provisions of this Covenant.

7.08      Representative Authority. The undersigned representative of each party to this Covenant certifies that he or she is fully authorized to enter into the terms and conditions of this Covenant and to execute and legally bind that party to this Covenant.

7.09      Statutory References. All statutory references include successor provisions.

7.10      Counterparts. This Covenant may be executed in counterparts.

IN WITNESS WHEREOF, the Parties execute this Covenant.

COVENANTOR: LENNAR MARE ISLAND, LLC

By: [Signature]  
Name: THOMAS SHEAFF  
Title: VP  
Date: 3/28/06

STATE OF CALIFORNIA )  
COUNTY OF San Francisco )

On this 28 day of March, in the year 2006, before me  
Kathy Ann Wright, Notary, personally appeared  
Thomas Sheaff, personally known to me  
(~~or proved to me on the basis of satisfactory evidence~~) to be the person(s) whose name(s)  
is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~  
executed the same in his/~~her/their~~ authorized capacity(ies); and that by his/~~her/their~~  
signature(s) on the instrument the person(s), or the entity upon behalf of which the  
person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Kathy Ann Wright



## Notary Seal Declaration

Pursuant to Govt. Code 27361.7, I certify under penalty of perjury that the notary seal on the document to which this declaration is attached reads as follows:

**Name of Notary:** Kathy Ann Wright

**Commission Number:** 1641096

**Place of Execution:** San Francisco County

**Date Commission Expires:** Jan 27, 2010

**Date:** 3/29/06

  
\_\_\_\_\_  
**First American Title**

THE STATE OF CALIFORNIA ACTING BY AND  
THROUGH THE DEPARTMENT OF TOXIC  
SUBSTANCES CONTROL

By: Anthony J. Landis  
Name: ANTHONY J. LANDIS  
Title: BRANCH CHIEF  
Date: 3/27/06

STATE OF CALIFORNIA                     )  
  )  
COUNTY OF Sacramento             )

On this 20<sup>th</sup> day of March, in the year 2006, before me  
Kathleen C. Duncan, personally appeared  
Anthony J. Landis, personally known to me  
(or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s)  
is/are subscribed to the within instrument and acknowledged to me that he/she/they  
executed the same in his/her/their authorized capacity(ies), and that by his/her/their  
signature(s) on the instrument the person(s), or the entity upon behalf of which the  
person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Kathleen C. Duncan











MARE ISLAND STRAIT

BUILDING H73

BUILDING H72

#### LEGEND

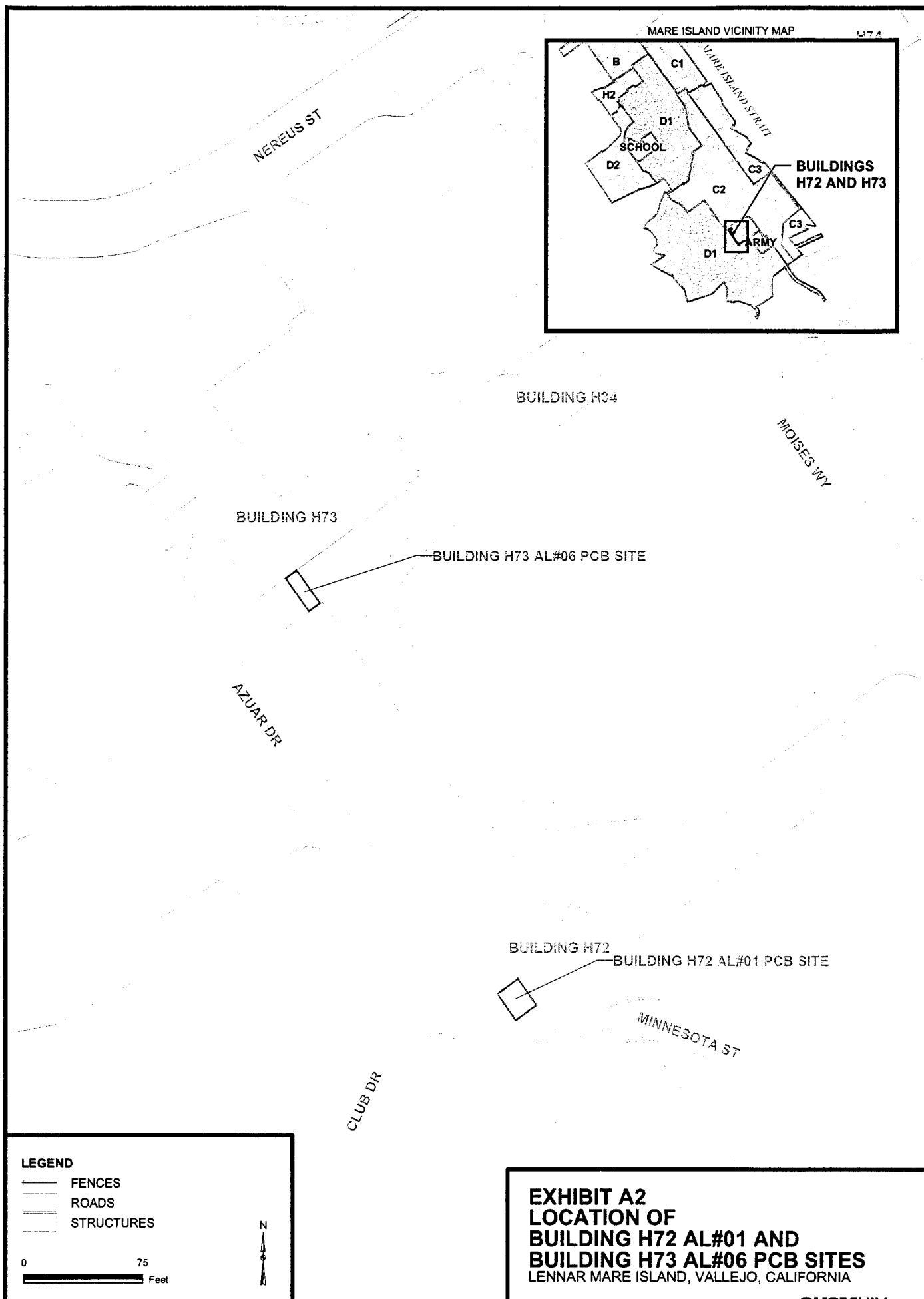
-  EASTERN EARLY TRANSFER PARCEL
-  INVESTIGATION AREA D1
-  ROADS
-  STRUCTURES
-  WETLANDS
-  WATER

0 1,400  
Feet



**EXHIBIT A1**  
**GENERAL LOCATION OF**  
**BUILDINGS H72 AND H73**  
LENNAR MARE ISLAND, VALLEJO CALIFORNIA

CH2MHILL





**Lennar Mare Island, LLC**  
**A portion of A.P.N. 066-010-001**  
**Building H72 AL#01 PCB Site, Environmental Restriction Area**

**Exhibit B**  
**Legal Description**

All that real property situate on the lands commonly known as Mare Island Naval Shipyard, in the City of Vallejo, County of Solano, State of California, described as follows:

Being a portion of the "Primary Eastern Early Transfer Parcel", described as "Parcel No. 1" in the Grant Deed to Lennar Mare Island, LLC, a California limited liability company, which was recorded on March 26, 2002, Series No. 2002-37966, Solano County Official Records, more particularly described as follows:

Commencing at a 2-1/2" aluminum disk monument in a concrete curb, stamped "Mare Island Control Point 22, McGill-Martin-Self, Orinda CA", as shown on that certain Record of Survey filed November 14, 1996, in Book 21 of Surveys at Page 94 of Official Records of Solano County. Having established grid coordinates of North 1,794,824.409 feet and East 6,485,592.711 feet, referenced to the California Coordinate System of 1983, Zone 2 as given in that particular report entitled, "Summary Report, Horizontal Control Network, Mare Island Naval Shipyard, Vallejo, California, MMS Job #1587, McGill Martin Self, Inc.";

thence, South 32°49'54" West, 717.37 feet to the most northerly corner of Building No. H72 AL#01, a concrete pad, the POINT OF BEGINNING;

thence, along the northeasterly edge of said pad, South 35°27'40" East, 20.00 feet to the easterly corner of said pad;

thence, along the southeasterly edge of said pad, South 54°32'20" West, 16.00 feet to the southerly corner of said pad;

thence, along the southwesterly edge of said pad, North 35°27'40" West, 20.00 feet to the westerly corner of said pad;

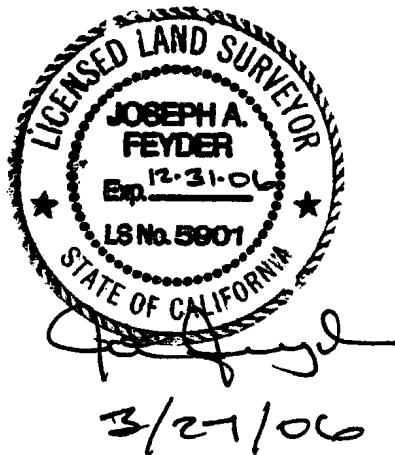
thence, along the northwesterly edge of said pad, North 54°32'20" East, 16.00 feet to the POINT OF BEGINNING.

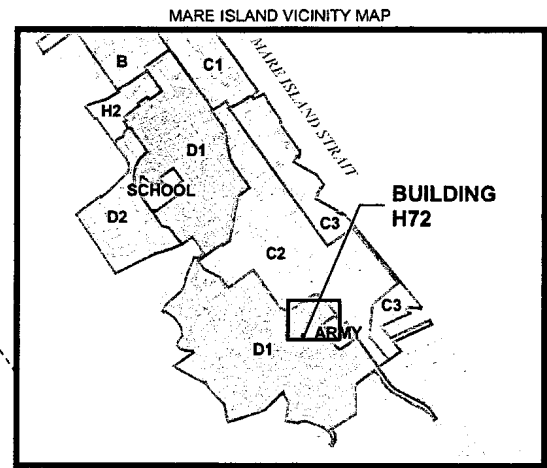
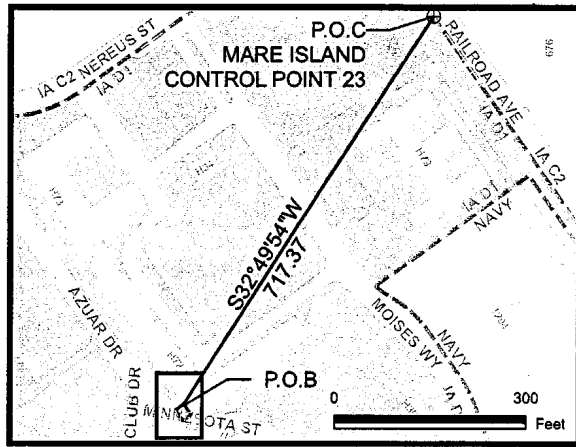
Containing an area of 0.007 acre, or 320 square feet, more or less, at ground level.

The Basis of Bearing for the above description is the California Coordinate System (1983), Zone 2. Distances shown are grid distances. To obtain ground distances multiply grid distances by 1.00006210.

The real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors Act.

Date: March 27, 2006



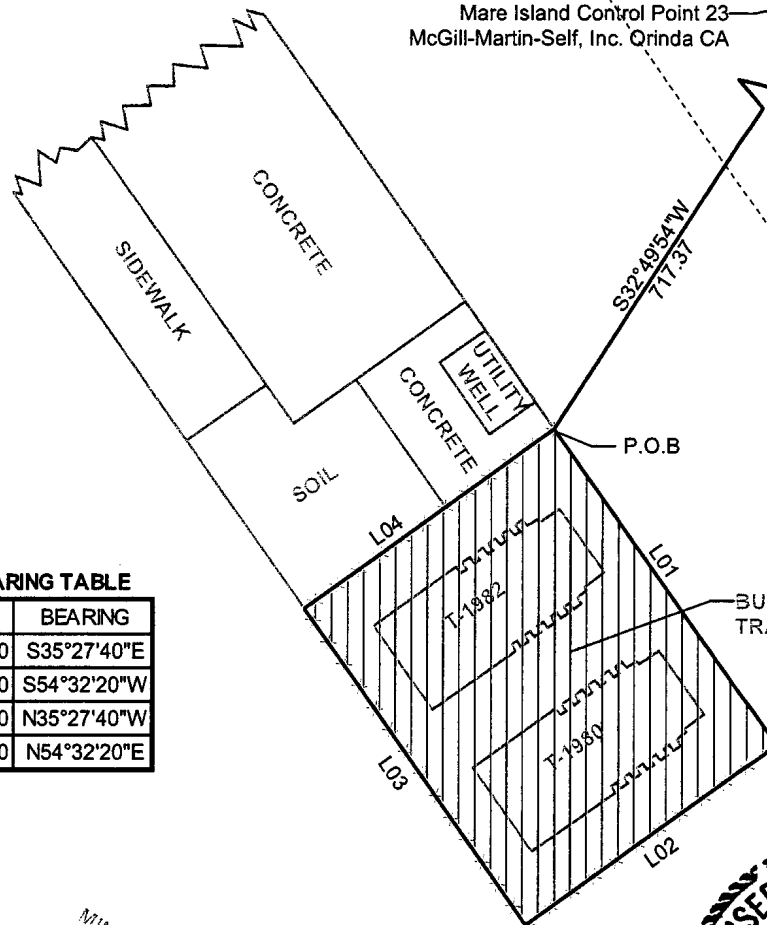


Mare Island Control Point 23  
McGill-Martin-Self, Inc. Orinda CA

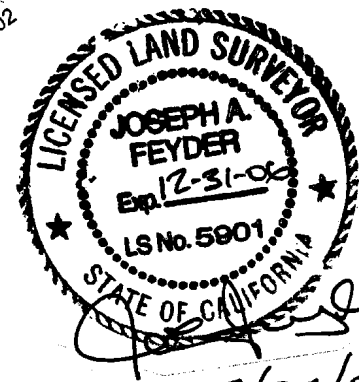
BUILDING H72

LINE LENGTH AND BEARING TABLE

LINE	LENGTH	BEARING
L01	20.00	S35°27'40"E
L02	16.00	S54°32'20"W
L03	20.00	N35°27'40"W
L04	16.00	N54°32'20"E



MINNESOTA ST



LEGEND

- ⊕ LMI CONTROL POINT
- FENCES
- STEAM PIPELINES
- ▨ PROPERTY
- ROADS
- STRUCTURES

0 10 Feet

**EXHIBIT C**  
**BUILDING H72 TRANSFORMER**  
**PAD PROPERTY**  
**ENVIRONMENTAL RESTRICTION AREA**  
LENNAR MARE ISLAND, VALLEJO, CALIFORNIA

CH2MHILL

**Lennar Mare Island, LLC**  
**A portion of A.P.N. 066-010-001**  
**A portion of Building H73, Environmental Restriction Area**

**Exhibit D**  
**Legal Description**

All that real property situate on the lands commonly known as Mare Island Naval Shipyard, in the City of Vallejo, County of Solano, State of California, described as follows:

Being a portion of the "Primary Eastern Early Transfer Parcel", described as "Parcel No. 1" in the Grant Deed to Lennar Mare Island, LLC, a California limited liability company, which was recorded on March 26, 2002, Series No. 2002-37966, Solano County Official Records, more particularly described as follows:

Commencing at a 2-1/2" aluminum disk monument in concrete, stamped "Mare Island Control Point 23, McGill-Martin-Self Inc. Orinda CA", as shown on that certain Record of Survey filed November 14, 1996, in Book 21 of Surveys at Page 94 of Official Records of Solano County. Having established grid coordinates of North 1,794,626.639 U.S Survey feet and East 6,484,844.270 U.S Survey feet, referenced to the California Coordinate System of 1983, Zone 2 as given in that particular report entitled, "Summary Report, Horizontal Control Network, Mare Island Naval Shipyard, Vallejo, California, MMS Job #1587, McGill Martin Self, Inc.";

thence, South 55°27'26" East, 262.98 feet to the most northerly corner of Connector Building No. H73, the POINT of BEGINNING;

thence, along the footprint of said Building No. H73, the following four (4) courses:

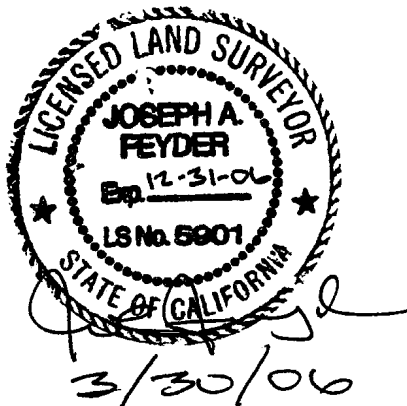
1. South 54°13'00" West, 8.50 feet;
2. South 35°47'00" East, 25.00 feet;
3. North 54°13'00" East, 8.50 feet;
4. South 35°47'00" West, 25.00 feet to the POINT of BEGINNING.

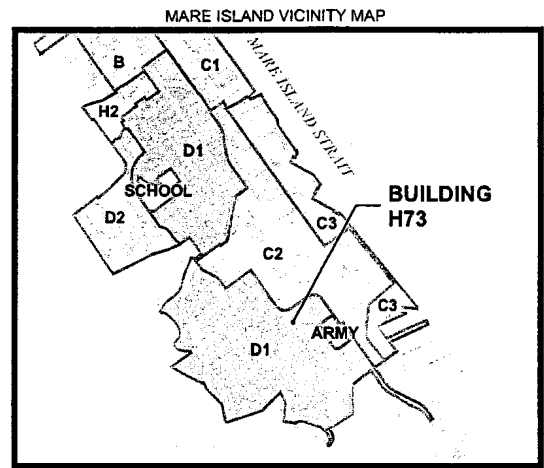
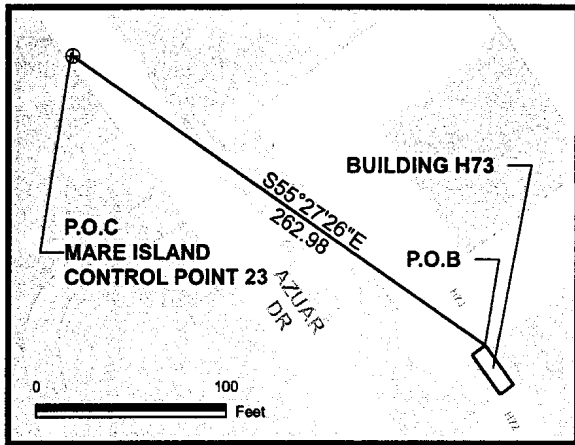
Containing an area of 213 square feet, more or less.

The Basis of Bearing for the above description is the California Coordinate System (1983), Zone 2. Distances shown are grid distances. To obtain ground distances multiply grid distances by 1.00006210.

The real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors Act.

Date: March 30, 2006

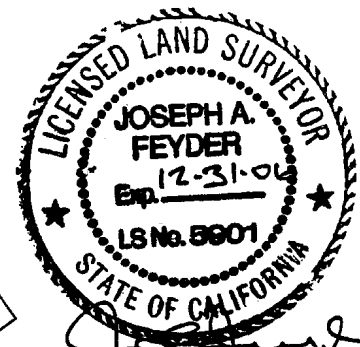
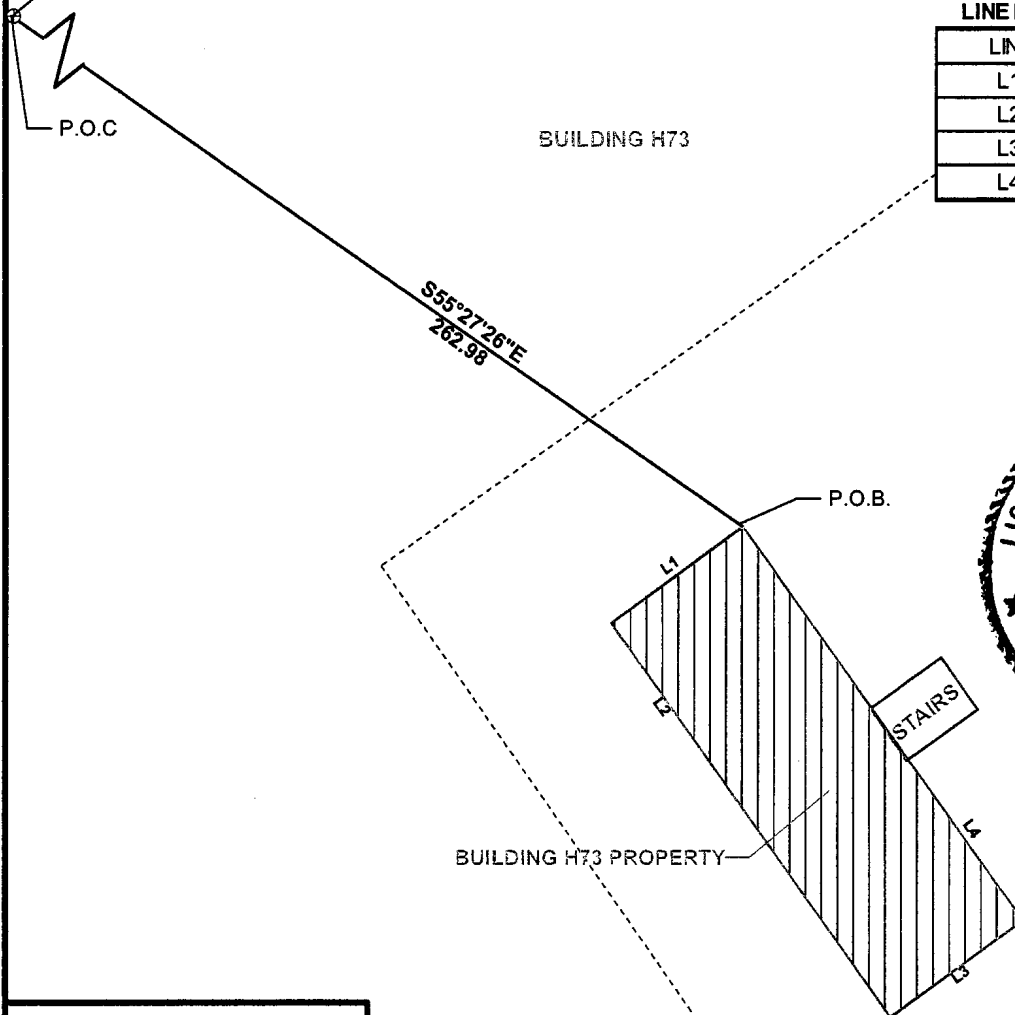




Mare Island Control Point 23  
McGill-Martin-Self, Inc. Orinda CA

**LINE LENGTH AND BEARING TABLE**

LINE	LENGTH	BEARING
L1	8.50	S54°13'00"W
L2	25.00	S35°47'00"E
L3	8.50	N54°13'00"E
L4	25.00	S35°47'00"W



*Joseph A. Feyder*  
3/27/06

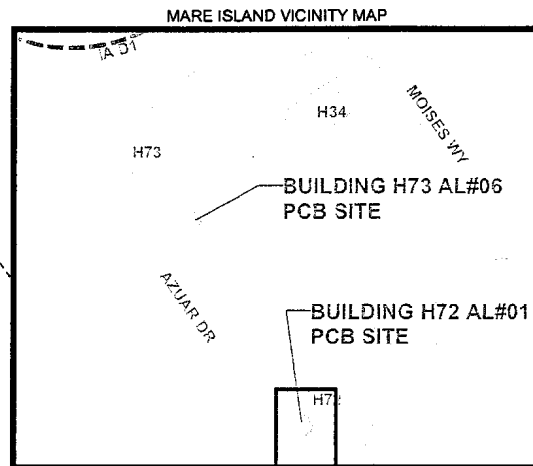
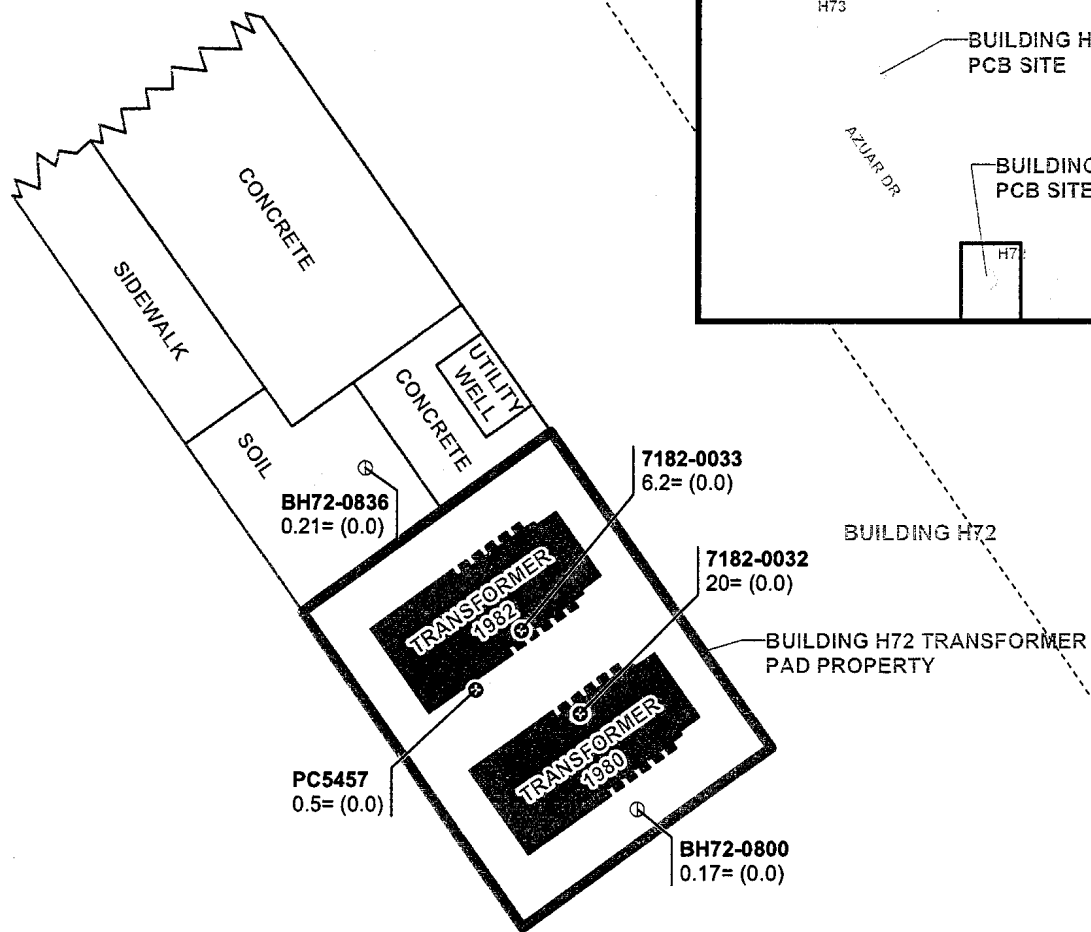
**LEGEND**

- ⊕ LMI CONTROL POINT
- FENCES
- STEAM PIPELINES
- ▨ PROPERTY
- ROADS
- STRUCTURES
- STAIRS

0 10 Feet

**EXHIBIT E**  
**BUILDING H73 PROPERTY**  
**ENVIRONMENTAL RESTRICTION AREA**  
LENNAR MARE ISLAND, VALLEJO, CALIFORNIA

**CH2MHILL**



#### LEGEND

- ⊕ CONCRETE CHIP SAMPLE
- ⊖ SURFACE SOIL SAMPLE
- FENCES
- === STORMWATER PIPELINES
- STEAM PIPELINES
- OTHER WATER PIPELINES
- ENCAPSULATED SURFACES
- ROADS
- STRUCTURES

SAMPLE LOCATION ————— IR14VB219  
 PCB CONCENTRATION (mg/kg) ————— 86J (2.8)  
 SAMPLE BEGINNING DEPTH (ft BGS) —————

#### NOTES:

1. "=" = ANALYTE WAS DETECTED

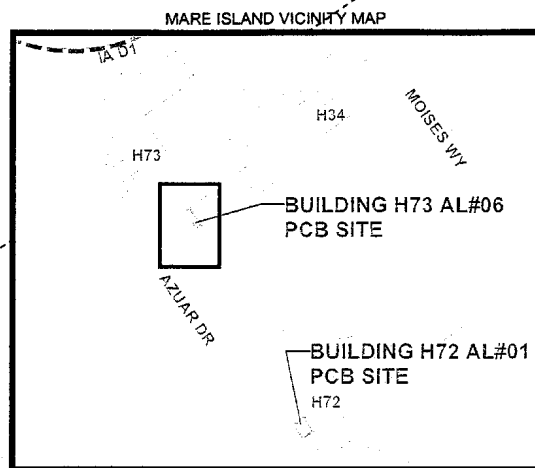
0 10  
 Feet



**EXHIBIT F**  
**BUILDING H72 AL#01 PCB SITE**  
**REMAINING PCB CONCENTRATIONS**  
 LENNAR MARE ISLAND, VALLEJO, CALIFORNIA

CH2MHILL

BUILDING H73



7174-0067  
3.5= (0.0)

8H73AL6CH0217  
0.4= (0.0)

BH73AL6CH0216  
0.27= (0.0)

PC5451  
2=(0.0)

STAIRS

FORMER  
TRANSFORMER  
ROOM

BUILDING H73 PROPERTY

BUILDING H72

LEGEND

- ⊕ CONCRETE CHIP SAMPLE
- STEAM PIPELINES
- ROADS
- STRUCTURES

SAMPLE LOCATION ————— IR14VB219  
PCB CONCENTRATION (mg/kg) ————— 86J (2.8)  
SAMPLE BEGINNING DEPTH (ft BGS) —————

NOTES:

1. "=" = ANALYTE WAS DETECTED

0 10  
Feet



**EXHIBIT G**  
**BUILDING H73 AL#06 PCB SITE**  
**REMAINING PCB CONCENTRATIONS**  
LENNAR MARE ISLAND, VALLEJO, CALIFORNIA

CH2MHILL